App. F. IX-4

1954 (Ind)

File No. 194-54.

Serial Nos. 1-11

Previous References.

Ite. 159-44-1-2
Ite. 96-46-1-4
Ite. 689-41-1-2

Later References.

Ind. 56-56-1-2
CI 39 CCI 57

MYSORE GOVERNMENT SECRETARIAT

Serial Nos. Eleven only — 8-44

Part B for July 1955.

SUBJECT

Operation of personal deposit Account of the office of the Director of Industries and commerce in connection with the cottage Industries centres.

WD 06701—GPB—25,000—11-8-54

D.O.No.I.767-70. D. 27.5.55

The Dir., R.I.
The Dir., Ite.
The A.G. through F.D
The contr., S.A.D.

C.V. Rajanna
3/8/55

G. R. S. A. F. III—1]

4448
9.

GENERAL AND REVENUE SECRETARIAT.

( )

NOTES. File No.

FILE HEADING.

Operation of the P. D. Account of 9 re offices in connection with the working of the College Industries Centres.

FROM

The Addl. Dir. of Ind. & Sc. Bangalore

No. D5(1)/53-54 Dated 25th Feb. 54 Received

Diary No.	Enclos.	Spare copies	Serial No.
4448/9			

BRIEF ABSTRACT OF LETTER

Requesting sanction for drawing the amounts required for the working of the Coll. Industries Centres on A.C. Bills until sufficient funds are made available in the P.D. account after the amounts advanced have been adjusted.

NOTES AND ORDERS.

1 The Finance Department may be consulted in the first instance

2 Dep. Secy. 6/3/54

3 for favour of remarks.

FINANCE SECRETARY DEVELOPMENT DEPARTMENT 9315 18 MAR 1954

FINANCE SECRETARY GOVT: OF MYSORE 19 MAR 1954

Dy Secy 18/3

Notes—First Sheet 115/12

WD 010865—GPB—20,000—2-8-50

4448/I
779.
11512/56

4) It is not clear what exactly are the emergent payments which require the procedure of drawing advances on A.C. Bills. It should be possible to prefer final bills at the treasuries and obtain payments. Unless there are good reasons for permitting advance payments the procedure should not be resorted to as it will lead to several irregularities and the tendency will be to delay adjusting for the advances made.

for [illegible]

DEVELOPMENT DEPARTMENT
25 MAR 1954
Government of Mysore

SECRETARY DEVELOPMENT
12 JUN 1954
Government of Mysore

5) Submitted with a draft.

Date 29/3/54.

6) Issued

31/3/54.

Issued D No. T. 69, D. 6.4.54,

To ..... the Addl Dir. of Ins.

Enquiries certain information in the matter.

Letter No. DS 4446 7/41-42 dt. 19th May 54 from the Director of Ins. forwarding a report in the matter.

7) Submitted with reference to P.D's remarks in para 4.

Date 27/5/54.

31/5/54.

Operation of the P.D. account etc. offices
in connection with the work of Appl. F. III 2
& Class Industries.

Mysore Government Secretariat

File No. of 195

Serial No.	
	8) F. D. may be consulted again.
779/1	Dep. Secy. 14/6/54
	9) For favour of remarks.
	A. Secy. 17/6 14/6/54
	10) A. G. will be consulted on the proposal to draw the amounts as suggested on A.C. Bills.
	18/6
	11) 20/6
	12) 21/6 Hlgs.
	13) Submitted with a draft for approval. Mrs 24/6/54
	14) Issued 24/6
	237 F/D
	Issued Memo No. 12-15 dt. 8.2.54
	D.A.
	Report with works
	on the market
	Letter No. 192/TBD xiv/A cot.

Note.—Contn. Sheet

FINANCE SECRETARY GOVT. OF MYSORE 1672 U. O. No. 2053
SECRETARY DEVELOPMENT DEPARTMENT 1869 22 JUN 1954 Government of Mysore

Operation of the P. D. account of the officer in the Dir of Ind. ref Chief Industries Centres. 7795 2268 2938.

File No. of 195

Mysore Government Secretariat

Serial No.

d. 27/28 th August 195 th from the Ac., Stating, that the matter is under examination etc.

15) The letter is for kind perusal: further report from A.G. will be awaited

Mine 5/9/54.

16) Put up

Rm 7/9/54.

Letter No. 251/T.A-A.cot d. 11/12 th October 1954 from the Accountant General forwarding his remarks in the matter.

17) Submitted with reference to para 10 of the rules.

Mine 19/10/54.

Rm 28/10/54.

18) The closure of the Personal Deposit Account will take time and the A.G.'s suggestion does not therefore solve the immediate problem. F.D. may be consulted again. Ref. para 10.

8427

Dy. Secy.

19/ For favour of remarks.

A. Secy.

28/X

WD 04861—GPB—60,000—22-1-54

Mysore Government Secretariat

Re extension of the P.D. account of the office of the Dir. of Ste [illegible] [App. F. III 2

File No. 2938/I of 195 College Industrial centres.

Serial No.

6/12/54

(v) Immediate action is called for to close the P.D. a/c which has practically been misused for purposes not intended. Meanwhile the permission to draw on A.C. bills may be given subject to limitations imposed in para 6 and 7 of the A.G's letter. The Director may be informed if D.C. bills are not sent in time payment of further A.C. bills will be stopped and the Director will be personally responsible for the prompt adjusting of amounts drawn on A.C. bills.

DEVELOPMENT DEPARTMENT 5027 2 NOV 1954 Govt of Mysore

Dott

2/XI

Dy Secy) 2/11

2) Dev. Secy 30/10

2) Sanction. Issue a draft for approval

MW 24/11/54

8/11/54

13/11

Dev. Secy)

2)

19/11

DEVELOPMENT DEPARTMENT 5775 15 NOV 1954 Government of Mysore

2) Issue 19/11

To Issued C. no. D. 8436, D. 24. 11. 1954, the Dir. of Ste.

Records Permission to the drawal of amounts required for the working of the College Ind'l Centres, on D.C. Bills, subject to the limitations imposed in Paras 6 & 7 of the A.G's letter D. no. D. 8437, Copy to the Director, P.D. 8438 Copy to the AG.

Note.—Contn. Sheet

Operation of P.D. Account for

File No. Office of the Director of Cottage Industries, Mysore Government Secretariat.

2938 J Serial No. 3514

Letter no. DS-447/41-42 dated 18th Nov. 1954 from the Director of Ind. forwarding a further report in the matter.

2) Orders were communicated to the Director of Ind. in this office letter no. D.3436 dated 24th Nov. 54 (Flag X) along with a copy of A.G's. letter no. 251/P.14-A.C.H. dated 11/12th October 1954.

3) The letter of the Director of Ind. dated 18/11/54 mentioned in the P.D. Note - para 1, has been submitted to Secy, P.D. on 17/11/54 in Dy. no. 320 A.

4) In continuation of his letter d. 18/11/54 and with reference to A.G's. letter no. 251/P.14-A.C.H. dated 11/12-10-54, the Director of Ind. &c. has forwarded his remarks.

5) Submitted for orders in Consultation with P.D.

Sd/- 25/11/54.

6) The file referred to in para 2 has since been received and put up.

Sd/- 26/11/54.

VA 04861—GPB—60,000—22-1-54.

Serial No.

30) Both the Director of I.&C. and the Director, R.I. are of the opinion that it is impossible to work the Cottage Industries Centres without a P.D. Account. In view of the difficulties explained by them, the F.D. may be requested to re-consider the matter.

Dev. Secy. 3/4/52

31) The Accts. Genl. in his letter of 12th Apl. 52 has stated that the present practice of depositing permanent advances in a P.D. Acct does not conform to financial rules. Hence there is no point in continuing this controversy unless codal rules are themselves proposed to be amended. It would be more helpful if the Dir. of C. would discuss the existing difficulties with the A.G. & request him for his own advice.

Sec. Hqrs

32) Submitted with a draft for approval

Tele 9/12/54.

Fin 13/1/54.

33) Issued 23/12/52

Issued no 3792 dt 15/12/54

To the Dir of Ind

Intimation that the continuance of P.D account cannot be sanctioned unless the Codal rules are

NOTE—Contn Sheet.

Operation of P.D. account

File No. of Chief Industries of 19 3514/5 4846. General and Revenue Secretariat

Serial No.

themselves proposed to be amended & suggested to discuss with A.G. in existing difficulties.

Letter no. Acc. 6. P.C./57 dated 23rd December 1957 from the Director R.I. forwarding a report.

34) The letter of the Director R.I. is for kind perusal.

35) The Director of Ins was asked in this office letter no. G. 3292 dated 10/12/57 (Flag 'A') to discuss the existing difficulties with the Accts. and to have his advice. But so far no report has been received.

36) But now the Director R.I. has sent up certain proposals with reference to letter no. G. 3436 dated 24th Nov. 57 (Flag 'X').

37) For remarks & orders in connection with P.D.

Tele 28/12/57. 38) The views of the Budget Br. may be obtained for the determination of the Add. Staff in connection with the amendment of the P.D. Act.

31/1/58. 39) For favour of remarks.

Fl. Secy.

FINANCIAL SECRETARY GOVT. OF ASSAM 28 JAN 1959 No. 1154

Operation of P.D. Account of the Director of Industries

General and Revenue Secretariat — File No. Cottage Industries 3S/III/I — [App. F. III-2

WD 015452—GPB—PZS—40,000—1-10-51

Serial No.

30) Both the Director of Ind. and the Director R.I. are of the opinion that it is impossible to work the Cottage Industries Centres without a P.D. Account. In view of the difficulties explained by them, the F.D. may be requested to re-consider the matter.

Dev. Secy. 3/4/52

31) The Accts. Genl. in his letter of 12th Oct. 51 has stated that the present practice of depositing permanent advances in a P.D. Acct does not conform to financial rules. Hence there is no point in continuing this controversy unless codal rules are themselves proposed to be amended. It would be more helpful if the Dir. of Ind. would discuss the existing difficulties with the A.G. & request him for his own advice.

32) Submitted with a draft for approval.

Thro 9/10/54.

for 13/1/54.

33) Issued 3/12/52

Issued no. 3792 dt. 15/12/54

To the Dir. of Ind.

Intimation that the continuance of P.D. accounts cannot be sanctioned unless the Codal rules are

Note-Contn Sheet.

Operation of P.D. account of the Office of Dir. of Stre - Village Industries

Mysore Government Secretariat — File No. — of 195 . [App. F. III 2

Serial No.	
	40) This is an instance where an account has been used irregularly and unaccounted for and now the proposal is to legalise the transactions by appointing an additional staff. How far the staff now to be posted Contrs Sec. in this matters is doubtful. It is not clear why four clerks are required to handle the same items of work. It is desirable that the Controller State Accts is requested to advise the minimum staff required for completing the work within a limited time.
A/	
	41) A. I/ss 7/1
	U.O. No. 11514/IC 9 10/1/55 8/1
	42) Forwarded to the Controller State Accts dept for remarks.
	P.T.O.

CONTROLLER No. Date 11 JAN

NOTE.—Contn. sheet

Operation of the P.D. Account of the office in connection with the working of the Cottage Industries centres.

File No. [illegible] of 19[illegible]

Mysore Government Secretariat

Serial No. 324-10

U.O.NO. 839/CSA. dated 28th March 1955. Ind. 194

29

43) It is reported by the Assistant Controller, Local Audit Circle, Bangalore, (to whom this un-official file had been referred) that on a general examination of the cash books and the ledger accounts relating to the ~~Public~~ Personal Deposit account maintained in the office of the Director of Industries and Commerce, it is seen that more than one hundred and fifty accounts of various kinds (such as local and outside exhibitions, Cottage Industries, Establishment and Travelling allowance charges, expenditure incurred in the Buildings Division and other miscellaneous accounts) involving more than two lakhs of rupees are pending adjustment and clearance. There are also certain irregularities requiring extensive correspondence with several offices and Associations.

44) As stated by the Director of Industries and Commerce in his letter No.AC.6.FC.51/D23-12-54 addressed to Government this account which has been running from 1942, has to be studied and suitable action taken for its adjustment before the P.D.Account is finally closed. The clerical staff alone may not be in a position to deal effectively with this work of complicated nature without proper guidance and supervision by a competent superintendent.

45) I, therefore, suggest that sanction of Government may be accorded for the appointment of one superintendent in grade Rs.180-10-300 and two first division clerks in grade Rs.60-5-90-8-130-10-150/E.B/10-180 of this Department for a period of one year in the first instance, as against four first division clerks recommended by the Director of Industries and Commerce in Mysore, Bangalore.

WD 07074—GPB—80,000—5-10-54

Operation of the P.D. Account of the Offices in connection with the working of the Cottage Industries Centres.

4046/I

46) While sanctioning the additional staff to be drawn from this Department, the usual deputation (duty) allowance of 10% of salary may also be kindly sanctioned to the staff.

FINANCIAL SECRETARY No. 29 MAR 1955 U.O. 11514 GOVERNMENT OF MYSORE

(H. RAMA RAJ URS)
CONTROLLER
State Accounts Department

To

The Secretary
to the Government of Mysore,
Finance Department,
Bangalore.

DEVELOPMENT SECTION 4 APR 1955 Government of Mysore

OFFICE OF THE ... & INDUSTRIES NO. 259 9 APR 1955 BANGALORE

47) The staff may be sanctioned without deputation allowance. The work should be completed before one year.

48) Dev. Sy 3/4.

Asst Sy to speak 5/4.

49) For favour of approval as above

Min Home & Ind 7/4.

50) 9/5/55

10/5 Minister

DEVELOPMENT DEPARTMENT SECRETARIAT 9 MAY 1955 Government of Mysore

51) Submitted with a draft G.O. for kind approval.

12/5/55

52) Please issue the corrected G.O.

13/5

13/5

operation of the P. D. Accounts of the officers in connection with the working of the Cottage Industries Centres

Ltr 46/V

53) Submitted with a typed draft G.O. for kind approval.

Draft G.O. is for appl

Tulsi 20/5/55/Bs 20/5

Fair copies are submitted for communication to A.G. thro. F.D

Supdt. Print 15V

(Bs 27/5

27/5.

Pl Comm 1533

Sd 30/5

Vs 31/5

CR

Bs 30/5/55

Sd 30/5.

Issued G.O. no. 9. 767-70, D. 27. 5. 55

To

The Director, R.I.
The Dir. of Ste.
The A.G. Stg. F.D.
The Comr. S.A.D.

Accords sanction to the entertainment of the staff suggested by the Comr. S.A.D. without deputation allowance, subject to the condition that the work should be completed before one year.

B

Tulsi

27/6/55

Bs 27/6

Ind. 196-54-1/4906

C.F. No. 45]

4448/I

GOVERNMENT OF MYSORE

C&D.

Telegram / phone

OFFICE OF

THE DIRECTOR OF INDUSTRIES AND

No. D5(1)/53-54.
Encls.

COMMERCE IN MYSORE, BANGALORE.

Date 26th February 1954.

INDUSTRIES DEVELOPMENT BRANCH
SECRETARIAT
27 FEB 1954
Government of Mysore

To

The Secretary to Government,
Development Department, BANGALORE.

Sir,

Subject:- Operation of the P.D. Account of this Office in connection with the working of the Cottage Industries Centres.

I write to state that advances are being made at present towards the working of the Cottage Industries Centres under the control of this Department from the P.D. Account of this Office subject to the recoupment on D.C. bills. This system has worked satisfactorily for some years past. But of late considerable difficulty is being experienced in the operation of the P.D. Account for this purpose as the advances made from time to time from this Account for meeting the urgent expenses connected with the participation of this Department in the various exhibitions in and outside the State under orders of Government have not yet been adjusted for want of sanction of Government for the expenditure incurred and also owing to several other contributory causes. As the funds in the P.D. Account are thus locked up, it has been felt necessary to draw the amounts required for the working of the Cottage Industries Centres on A.C. bills up to a maximum of Rs. 6,000/- P.M. debiting the expenditure to Cottage Industries grants by rendering accounts for the expenditure on N.D.C. bills. I therefore request sanction of Government for drawing these amounts on A.C. bills until sufficient funds are made

p.t.

available in the P.D. Account after the amounts advanced therefrom are adjusted. I also request that the Accountant-General, Mysore, may kindly be authorised to admit these bills in audit.

I request early orders of Government in the matter.

Yours faithfully,

(K. NARAYANA SWAMY)
ADDITIONAL DIRECTOR.

sak)

Appendix F.G—1]

SUBJECT Operation of the P.D. Account of the ~~This~~ office in connection with the working of the Cottage industries Centres

Section 2nd.
File No. 194-54
Serial No. 2

Diary No. of letter replied to .....

No. 9-69, D. 6-4-54

To

The Additional Dir. of Ins.
Bangalore

General and Revenue Secretariat :
( )
the *195*

Sir,

Date of issue.....

With reference to

Signed by .....

your letter No DS-(1)/53-54 of
25th Feb: 1954 on the above
subject, I am directed to
enquire
~~State~~ What exactly are the emergent
payments which require the
~~procedure~~ drawing of
In what case,
advances on the Bills. It
should be possible to prefer
final Bills at the Treasuries and

List of enclosures.....

Copied by .....

Examined by .....

Obtain payments: Unless there are good reasons for making advance payments the procedure should not be resorted to as it will lead to irregularities and the tendency will be to delay accounting for the advances made.

Yours faithfully,

for Development Secretary.

GOVERNMENT OF MYSORE.

No. 9.69

Mysore Government Secretariat,

Dated Bangalore, 6th April *195* 4.

FROM

The *Secretary to the Government of Mysore,*
Development Department, Bangalore.

To

The Additional Director of Industries & Commerce
Bangalore.

Sir,

Subject:- Operation of the P.D. account of the office of the Director of Industries and Commerce in connection with the working of the Cottage Industries Centres.

With reference to your letter No. D5(1)/53-54 dated 25th February 1954 on the above subject, I am directed to enquire what exactly are the emergent payments which require the drawing of advances on A.C. bills. In most cases, it should be possible to prefer final bills at the Treasuries and obtain payments. Unless there are good reasons for making advance payments, the procedure should not be resorted to, as it will lead to irregularities and the tendency will be to delay accounting for the advances made.

Yours faithfully,

(K. Sankaran Nayar)
for Secretary to Government,
Development Department.

779/I

GOVERNMENT OF MYSORE
(Department of Industries and Commerce)

No.D5.447/41-42 Ind. 194-54-3

Office of the Director,
BANGALORE, DATED 19TH MAY 1 9 5 4

To

The Secretary to Government,
Development Department,
B A N G A L O R E .

Sir,

SUBJECT:-Operation of the P.D. account of this office in connection with the working of the Cottage Industries Centres.

-.-.-.-.-.-

With reference to the correspondence ending with your letter No.I.69 dated 6th April 1954 on the above subject, I write to state that the requirements of various Cottage Industries Centres under the control of this Department for the purchase of Raw materials, stipends to the trainees, wages to workmen and contingencies which were hitherto being met initially out of drawings from the P.D. account pending adjustments from the Budget Grants, will have to be met out of drawings on A.C. bills by debit to Budget Grants. Final bills cannot be presented at the Treasuries unless expenditure is incurred in the first instance from some source, either the permanent Advance or the drawings from the P.D. account. The Cottage Industries Centres are not provided with permanent advances and the P.D. accounts are required to be adjusted since heavy amounts are locked up in the form of advances to exhibitions as already reported to Government in this office letter dated 26-2-1954. Hence pending availability of funds in the P.D. account, I request that orders of Government may kindly be obtained and communicated to me to draw amounts on A.C. bills up to a maximum of Rs.6,000/- p.m. required for the working of the Cottage Industries.

Separate action is being taken to adjust the outstanding balances in the P.D. Account. In this connection I invite kind reference to this office letter No. D5.Exbn/53-54 dated 25/27-2-1954 and request that sanction for the extra staff required in connection with the adjustment of P.D. accounts and Exhibition accounts may also be kindly ~~sanctioned~~ accorded early.

After the account is sufficiently replenished, the system of drawing funds on A.C. bills will be discontinued and the P.D. account will thereafter be continued to be operated with a reduced sum of Rs.15,000/- only by surrendering Rs.10,000/- out of the present advance of Rs.25,000/-.

I request early orders of Government in the matter.

Yours faithfully,

(E.V. GANAPATI IYER.)
DIRECTOR

MR.

19/5

Appendix F.G—1]

SUBJECT Separation of the P.D. Account of the Office of the Dir. of Ind. in connection with the working of the Cottage Industries Centres

Section Ind.
File No. 1814-5-4
Serial No. 4.

Diary No. of letter replied to .....

No. I 1215/Ci.2
To D8/7/54

The Accountant General,
Bangalore

Gen eial and Revenue Secretariat
( )
the *195*

Sir,

Date of issue.....

I am directed to forward for your information, copies of letters No. D5(1)/53-54 and D5-447/51-4 dated 19th Jan. 54 & 26th Feb. 54 and 19th May 1954 ~~respectively~~ received from the Dir. of Ind. on the above subject and to request you kindly to offer your remarks on the proposal to draw the amount as suggested in A.C. Bills.

Signed by .....

Yours faithfully,

For Deputy Secy.

List of enclosures.....

Copied by .....

Examined by .....

GOVERNMENT OF MYSORE.

No. I 215/E:2

Mysore Government Secretariat,

Dated, Bangalore, 8th July *195* 4,

FROM

The *Secretary to the Government of Mysore,*
Development Department.

To

The Accountant General, Mysore,
Bangalore.

Sir,

Subject:- Operation of the P.D. Account of the Office of the Director of Ind. and Com., in connection with the working of the Cottage Industries Centres.

I am directed to enclose for favour of your remarks, copies of letters No.D5(1)/53-54 and D5-447/41-42 dated 25th February 1954 and 19th May 1954, received from the Director of Industries, on the above subject.

Yours faithfully,

for

(K.Sankaran Nayar)
for Secretary to Government.
Development Department.

2068/I

OFFICE OF THE ACCOUNTANT GENERAL,
MYSORE,
Bangalore, dated 27th August 1954.

3 SEP 1954
INDUSTRIES BRANCH

No. 12 | IADXIV | A cot

From

The Accountant-General, Mysore,
Bangalore.

To

The Secretary to the Government of Mysore,
Development Department,
Bangalore.

SECRETARY DEVELOPMENT DEPARTMENT
Government of Mysore

Sir,

Sub: Operation of the Personal Deposit account of the office of the Director of Industries and Commerce in connection with the working of the Cottage Industries Centres.

(1215)

With reference to your letter No. I.120/52 dated 6th July 54 inviting remarks of this office on the above subject, I am to state that the matter is under examination and a reply will be sent to you in due course.

Yours faithfully,

Assistant Accounts Officer.

3 SEP 1954
CAV/-
INDUSTRIES BRANCH

2938/7

OFFICE OF THE ACCOUNTANT GENERAL,
MYSORE,

No. 251/T.14-A Cot *Bangalore, dated 11th October, 1954.*
12 M

From Grd. 196-S-54-5

The Accountant General, Mysore,
Bangalore.

To

The Secretary to the Government of Mysore,
Development Department, BANGALORE.

Sir,

Sub: Operation of the Personal Deposit Account of the Office of the Director of Industries and Commerce in connection with the working of Cottage Industries.

(474)

Ref: (1) Your letter No.I 1215/E-2 dated 8-7-1954.
(2) This office letter No.192/TAD.XIV/A-Cot. dated 26-8-54.

I would invite a reference to your letter quoted above and furnish the following remarks.

2. On the representation of the Director of Industries and Commerce that the procedure of drawing funds on pre-audited bills involved delay which in turn handicapped the working of the Rural and Cottage Industries Schemes in many centres, Government sanctioned a permanent advance of Rs.5,000/- in G.O.No.D1240-4 I&C 609-41-2 dated 13-8-42. He was allowed to d eposit the same in a Personal Deposit Account opened in State Huzur Treasury. It may be mentioned in this connection that the procedure of depositing permanent advances in a Personal Deposit Account is entirely irregular and is not also supported by any of the financial rules framed by Government. A permanent advance is an imprest which has to be retained by the head of office for the purpose of meeting petty payments of an emergent nature and as such it should not

not have been utilized for the opening of a Personal Deposit Account.

3. The Personal Deposit amount at the disposal of the Director of Industries and Commerce was raised to Rs.25,000/- for 47-48 subject to Review of the situation thereafter (vide G.O.No.D1463-5/I&C 96-46-4 dated 13th September 1947). Notwithstanding the clear orders of Government, no review was conducted and when this omission was pointed out by this office the Director of Industries has approached Government in the matter in his letter No.D5-447/41-42 dated the 4th February 1954.

4. The permanent advance was sanctioned only to meet the expenses connected with the rural and Cottage Industries Centres. As could be seen from Annexture A to Para 3 of the Test Audit Report of the Personal Deposit account for 1952-53 forwarded to Government with letter No.371/F/OAD.I dated 24th March 1954 the advance is being unauthorisedly diverted for meeting certain irregular expenses such as advances to officers and officials for tour not covered by competent sanction, to advances meet expenses of office building, payment of pay or salary to officials, which could not be drawn for want of sanction of leave etc. Moreover it is seen from the letter No.D.5(1)53-54 dated 26-2-54 from the Director of Industries, copy of which has been sent with your letter under reference, that heavy advances paid out of the Personal Deposit Account are pending adjustment. All the facts cited above would point to the need for the immediate closure of the Personal Deposit Account which should not have been opened at all.

5. The Director has requested sanction of Government to draw funds temporarily on Abstract Contingent bills till the amount already spent out of the Personal Deposit Account and locked up is recouped. Government in this connection should consider the question of introducing the

the procedure of drawal of money on abstract bills as a permanent measure after closing the Personal Deposit Account vide also this office letter No.371/F OAD.I dated 24th March 1954.

6. On the closure of the Personal Deposit Account the Director may be permitted to draw amounts required for immediate disbursements for purchase of raw materials, payment of stipends to trainees, contingent expenditure etc. on abstract contingent bills, subject to the condition that the nonpayable Detailed Contingent bills for amounts drawn on A.C.Bills during the month are rendered before 15th of the following month as required under clause 3 of Art.220(b) M.F.C. Vol.I. Failure to submit non payable detailed contingent bills in time will entail stoppage of payments on the Abstract Contingent Bills till the receipt of detailed contingent bills for the amounts previously drawn on abstract bills (vide circular No.Fl(B)3667-767 dated 10-6-54 from the Secretary to Government Finance Department, Bangalore).

7. The amount to be drawn on A.C.bills should be restricted to the bearest minimum required for immediate disbursements. The Director may also be informed that for meeting expenses connected with the participation in exhibitions, the amount could be drawn on Abstract Contingent bills with Specific sanction of Government in each case.

Yours faithfully,

(B.Venkataraman)
DEPUTY ACCOUNTANT GENERAL.

12/10

Copy of the above is forwarded to the Secretary to Government of Mysore, Finance Department, Bangalore, for information.

Copy to the Director of Industries and Commerce in Mysore, Bangalore, for information.

RAM.

Appendix F. G.—1]

SUBJECT Operation of the P.D. Accounts of the officers in connection with the working of the Cottage Industries Centres

Section 2nd.
File No. 194-54
Serial No. 6.

Diary No. of letter replied to.....

No. I 3436/E1
D24/11/54

To

The Director of Sericulture
Bangalore.

Sir,

With reference to correspondence ending with your letter no. Dis: 447/41-42 d. 19th May 1954 on the above subject, I am directed to enclose a copy of letter no. 251/T. 14. A Col d. 11/12th October 1956 on the above subject received from the A.G. and to state that immediate action may kindly be taken to close the P.D. account.

Meanwhile, permission is accorded to the drawal of amounts required for the working of the cottage Industries Centres subject to the limitations imposed in paras 6 and 7 of the A.G's letter (attached).

I am also to say that if D.C. bills are not

General and Revenue Secretariat
( )
the 19

Date of issue.....

Signed by.....

List of enclosures.....

Copied by.....

Examined by.....

Sent in time, payment of
further A.C. Bills will be stopped
and you will be personally
responsible for the prompt
accounting of amount
drawn on A.C. Bills.

(The officer drawing the amount on A.C. Bills)

Yours faithfully

Dy. Secy

I 3437 Dt 4/11/57

Copy to RO

I 3438 Dt 4/11/57

Copy to A.G. for ref
to his letter no 25.1/-14-Acct
dt 11/12th October 1957

Copy to P.D.

GOVERNMENT OF MYSORE.

Mysore Government
~~General and Revenue~~ Secretariat,

No. I 3436(E:)

Dated, Bangalore, 24th Novr. *1954.*

FROM

The *Secretary to the Government of Mysore,*
Development Department.

To

The Director of Industries & Commerce
in Mysore, Bangalore.

Sir,

Subject:- Operation of the P.D. Account of the Office of the Director of Industries & Commerce, in connection with the working of the Cottage Industries Centres.

With reference to correspondence ending with your letter No.D5.447/41-42 dated 19th May 1954 on the above subject, I am directed to enclose a copy of letter No.251/T.14-A.Cot. dated 11/18th October 1954, received from the Accountant General, Mysore, Bangalore, and to state that immediate action may be taken to close the P.D.account.

Meanwhile, permission is accorded to the drawal of amounts required for the working of the Cottage Industries Centres, on A.C. Bills subject to the limitations imposed in paras 6 and 7 of the Accountant General's letter.

I am to add that if D.C.Bills are not sent in time, payment of further A.C.Bills will be stopped. The officer drawing the amounts on A.C.bills will be held personally responsible for the prompt accounting of the amounts drawn on A.C.Bills.

Yours faithfully,

Sd/-
(K.Sankaran Nayar)
for Secretary to Government,
Development Department.

Rural

Jak. I 3437 D24/11/54

Copy forwarded to the ~~Additional~~ Director of Industries & Commerce in Mysore, Bangalore.

Sd/-
(K.Sankaran Nayar)
for Secretary to Government,
Development Department.

p.t.o.

Letter No.251/T.14-A.Cot. dated 11/12th October 1954, from the Accountant General, Mysore, Bangalore, to the Secretary to Government, Development Department, Bangalore.

Sub: Operation of the personal Deposit Account of the Office of the Director of Industries and Commerce in connection with the working of Cottage Industries.

Ref: (1) Your letter No.I 1215/E-2 dated 8-7-1954.
(2) This office letter No.192/TAD.XIV/A-Cot. dated 26-8-54.

I would invite a reference to your letter quoted above and furnish the following remarks.

2. On the representation of the Director of Industries and Commerce and the procedure of drawing funds on pre-audited bills involved delay which in turn handicapped the working of the Rural and Cottage Industries Schemes in many centres, Government sanctioned a permanent advance of Rs.5,000/- in G.O.No.D.1240-4/I&C. 609-41-2 dated 13-8-42. He was allowed to deposit the same in a Personal Deposit Account opened in State Huzur Treasury. It may be mentioned in this connection that the procedure of depositing permanent advances in a Personal Deposit Account is entirely irregular and is not also supported by any of the financial rules framed by Government. A permanent advance is an imprest which has to be retained by the head of office for the purpose of meeting petty payments of an emergent nature and as such it should not have been utilized for the opening of a Personal Deposit Account.

3. The Personal Deposit amount at the disposal of the Director of Industries and Commerce was raised to Rs.25,000/- for 47-48 subject to Review of the situation thereafter (Vide G.O.No.D.1463-5 I&C 96-46-4 dated 13th September 1947). Notwithstanding the clear orders of Government, no review was conducted and when this omission was pointed out by this Office the Director of Industries has approached Government in the matter in his letter No.D5-447/ 41-42 dated the 4th February 1954.

4. The permanent advance was sanctioned only to meet the expenses connected with the rural and Cottage Industries Centres. As could be seen from Annexure A to para 3 of the Test Audit Report of the Personal Deposit account for 1952-53 forwarded to Government with letter No.371/F/OAD.I dated 24th March 1954 the advance is being unauthorisedly diverted for meeting certain irregular expenses such as advances to officers and officials for tour not covered by competent sanction, advances to meet expenses of office building, payment of pay or salary to officials, which could not be drawn for want of sanction of leave etc. Moreover it is seen from the letter No.D.5(1) 53-54 dated 26-2-54 from the Director of Industries, copy of which has been sent with your letter under reference, that heavey advances paid out of the personal Deposit Account are pending adjustment. All the facts cited above would point to the need for the immediate closure of the Personal Deposit Account which should not have been opened at all.

5. The Director has requested sanction of Government to drawn funds temporarily on Abstract Contingent bills till the amount already spent out of the Personal Deposit Account and locked up is re-couped. Government in this connection should consider the question of introducing the procedure of drawal of money on abstract bills as a permanent measure after closing the Personal Deposit Account vide also this office letter No.371/F.O.D. dated 24th March 1954.

6. On the closure of the Personal Deposit Account the Director may be permitted to draw amounts required for immediate disbursements for purchase of raw materials, payment of stipends to trainees, contingent expenditure etc. on abstract contingent bills, subject to the condition that the non-payable Detailed Contiggent bills, ~~xxxx

3914/F

4062/C&D

C. F. No. 45]

GOVERNMENT OF MYSORE

Telegram / phone

OFFICE OF
The Director of Industries and Commerce
in Mysore, Bangalore,

No. D5-447/51-52
Encls.

Date 18th November 1954.

2nd. 194-54

SECRETARY DEVELOPMENT DEPARTMENT 2 20 NOV 1954 Government of Mysore

To

The Secretary to Government,
Development Department,
BANGALORE.

Sir,

Subject:- Operation of the personal deposit account of the Director of Industries and Commerce in connection with the working of Cottage Industries.

Fr. Eng 17/11/54.

In continuation of this office letter of even number dated 18-10-54 and with reference to letter No.251/T. 14-A. Cot. dated 11/12-10-1954, addressed to you by the Accountant-General, Mysore, Bangalore, on the above subject, a copy of which has been forwarded to me, I write to state that marginally noted two points have been raised by the Accountant-General in support of the closure of the P.D. account. The alternative suggestion made by him for financing the Cottage Industries is the drawal of money on A.C. bills subject to usual conditions.

1. It was irregular to have deposited the permanent advance sanctioned by Govt. in a P.D. account.
2. Several instances of irregular expenditure incurred out of the P.D. account were noticed in the last test audit conducted by his office.

As regards the first point raised by the Accountant-General, it may be stated that the permanent advance was deposited in a P.D. account so long back as 1942 and this was permitted by Government only after obtaining the concurrance of them then Comptroller to Government. This was obviously done to avoid the physical handling of large amounts by the Cash Section of this office. In case the P.D. account has to be closed forthwith, the same difficulty will arise even now and much avoidable extra expenditure will have to be incurred by Government by way of providing arrangements for watch and ward for the ~~safety~~ safety of the heavy cash balance and grant of higher scales of pay and allowances to the Cash branch of this office commensurate with the extra responsibilities involved.

p.t.o.

As regards the irregularities observed by the Accountant-General during his last test audit, it may be stated that earnest attempts are being made for the rectification of these irregularities which have unfortunately occured in the past several years. Such irregularities have been more or less completely eliminated ever since the AccountantGeneral's last test audit.

Although the suggestion made by the Accountant-General for introduction of the system of drawing funds on A.C. bills and its adjustment on N.D.C. bills, looks convenient enough on the face of it, it has got many disadvantages as can be seen from the facts furnished below.

Most of the Cottage Industries Centres are located in interior and remote village and they are mostly in charge of technical men with a moderate extent of literacy. Since they have little or no experience in the maintenance of accounts, it is hard either for this office or the supervisory officers to watch the receipt of vouchers for the expenditure incurred and prepare N.D.C. bills in time to enable funds being drawn further on A.C. bills. Moreover, it will be extremely difficult to watch the remittance to the treasury of the unspent amounts drawn on A.C. bills at the end of every month. This cannot be insisted upon since in many instances the orders of this office on the forecasts submitted by the centres are unavoidably delayed for administrative reasons and if the centres are compelled to refund the unspent balances at the end of the month to the treasury without being allowed to retain them for use till they are completely spent out and fresh advances are received, then they will be forced to close down their activities for want of requisite funds. Further the supervisory officers for most of the Cottage Industries Centres are non-gazetted officers and it may not be quite safe to entrust them with the work of drawing money from the Treasury on A.C. bills. It is therefore felt that the legitimate

work of the Cottage Industries Centres will be greatly affected, if any new accounts system is forced on the supervisory officers-in-charge, as the centres are manned only by single individuals without any Clerical assistance whatsoever.

It may therefore be kindly seen that the advantages in the further continuance of the P.D. account on a permanent basis, for financing the Cottage Industries are many and if irregularities have taken place in the past, what is to be done now is to remedy them and not give room for repetition of such mistakes instead of ending the P.D. system altogether.

In the above circumstances, I request you kindly to obtain early orders of Government for the continuance of the P.D. account system as a permanent measure on the conditions already mentioned in this office letter dated 18/26-10-1954 under advertance.

Yours faithfully,

S. Muninanjappa

(S. MUNINANJAPPA)
DIRECTOR.

ST)

Appendix F. G.—1]

SUBJECT Operation of P.D. account of the Dir. of Ind. in connection with the working of village industries

Section 2nd.
File No. 194-54
Serial No. 8

Diary No. of letter replied to

No. I 3792 dt. 15-12-54.

To

The Director of Industries
Bangalore.

Sir,

With reference to correspondence ending with your letter no. DS-447/41-42 dated 15th Nov. 54 on the above subject, I am directed to say that A.G's reference to ~~Corresponding~~ letter no. 251/T.14-A dated 11/12th October 54 addressed to you by the A.G. (a copy of which was forwarded to you in this office letter no. 9-3436 dated 24th Nov. 54) ~~and to state how~~ in which the A.G. in his letter has stated that the present practice of depositing permanent advances in a P.D. account does not conform to financial Rules. Hence ~~there is no question of~~

General and Revenue Secretariat
( )
the 19

Date of issue

Signed by

List of enclosures

Copied by

Examined by

continuance of the P.T. Account
Hence, there is no question of Combining
cannot be permitted,
this Combination by unless the
relat[illegible] rules are themselves
proposed to be amended.
I agree that
so are therefore it would not
be some help for if you
might kindly discuss the
existing difficulties with me
& and request him for
his advice in the matter.

Yours faithfully

Sd/- 13/11

for Deputy Secy.

M. No. T 3793-4 Tech. D. 15-12-54.

Copy to F.C.

" " C.S.D. &c.

GOVERNMENT OF MYSORE

No. I 3792.

Mysore Government Secretariat,
Dated, Bangalore, 15/12/1954.

FROM

The *Secretary to the Government of Mysore,*
Development Department.

To

The Director of Industries & Commerce
in Mysore, Bangalore.

Sir,

Subject:- Operation of the Personal Deposit Account of the Director of Industries & Commerce in connection with the working of Cottage Industries.

With reference to correspondence ending with your letter No.D5-447/41-42 dated 18th November 1954, on the above subject, I am directed to invite reference to the Accountant General's letter No.251/T.14-A.Cot. dated 11/12th October 1954 (a copy of which was forwarded to you with this office letter No.I.3436 dated 24th November 1954) in which he has stated that the present practice of depositing permanent advances in a P.D. account does not conform to Financial Rules. Hence, continuance of the P.D.Account cannot be permitted unless the codal rules are themselves proposed to be amended.

I am therefore to suggest that you might discuss the existing difficulties with the Accountant General and request him for his advice in the matter.

Yours faithfully,

Sd/-

(K.Sankaran Nayar)
for Secretary to Government,
Development Department.

Jsk.

M.No.I 3793. D.15-12-54.

Copy of the above is forwarded to the Accountant General, Mysore, Bangalore.

M.No.F 3794. D.15-12-54.
Copy to C.& D. Branch.

(K.Sankaran Nayar)
for Secretary to Government,
Development Department.

Ind. 194-54-9

C. F. No. 45]

4046/I
28 DEC 1954
INDUSTRIES DEVELOPMENT DEP.

GOVERNMENT OF MYSORE

Telegram, phone

OFFICE OF
the Director of Industries and
Commerce in Mysore, Bangalore.

No. Ac.6.7.C./51
Encls.

27 DEC 1954
Government of Mysore

Date 23rd December 1954

To

The Secretary to Government,
Development Department, BANGALORE.

Sir,

SUBJ: Operation of the P.D. account of the Office of the Director of Industries and Commerce in connection with the working of the Cottage Industries Centres.

2938 - 3574

With reference to your letter No.I.3436 dated 24th November 1954 informing me that action may be taken to close the Personal Deposit account and permitting me to draw amounts required for the working of the Cottage Industries Centres on Abstract Contingent bills, I write to state that instructions have been issued to all the drawing officers under my control to prefer A.C. Bills for the funds required for running the Cottage Industries Centres, with effect from 1st February 1955.

I may point out in this connection that as most of the instructors of the Cottage Industries are not well acquainted in accounts, it may not be possible to render accounts on N.D.C. bills in time. As such I propose that the Accountant-General may be requested to allow 2 months time for the submission of N.D.C. Bills for the A.C. Bills drawn every month.

With regard to closure of the Personal Deposit accounts immediately, I write to state that the accounts have to be audited thoroughly from 1942, i.e., from its inception and accounts reconciled and adjusted in full. For this purpose, the services of four experienced I Division Accounts clerks from the State Accounts Department for about one year are found essential. The extra cost of this account will be met

(please turn over)

met out of the grants provided under '43 Industries and Supplies aa. Cottage Industries (b) Three Year Plan".

I request that orders of Government permitting me to adjust and finally close the P.D. account within one year and for the appointment of 4 I Division clerks drawn from the State Accounts Department for the audit and adjustment of P.D. accounts, for one year may kindly be obtained and communicate the same to me.

Yours faithfully,

(B. BEERAPPA)
DIRECTOR
Rural Industrialisation

MR.
23/12

24/12

G. R. S. App. F VI.—G. 2]

SUBJECT.....

.....

.....

Diary No. of letter replied to .....

General and Revenue Secretariat.

( )

the *194*

Date of issue.....194 .

Signed by .....

(Flag 'G').

May this be—

(i) printed?

(ii) treated as a Standing Order?

(iii) published in the Gazette, English Part?

(iv) translated? (Flag 'Y').

(v) placed at the disposal of the Press?

(vi) published in the Gazette, Kannada Part?

(paras 43 to 46 of the rules).

Section.

File No.

Serial No.

Proceedings of the Government of His Highness the Maharaja of Mysore.

Read— Govt. letter No. G. 3792 dt. 15/12/54 ordering the discontinuance of the P. D. Account.

Letter No. Ac. 6. Fd. 51 dt. 23rd December 1954 from the Dir. R. I. in the matter of Operation of the P. D. Account of the Office of the Dir. of Ind. in Connection with the Cottage Industries Coop. Order thereon.—No. G. O. No. 839/Com. dt. 28/29th March 1955 from the Controller of State Accounts in the matter.

order No Dated.

The Dir. I.R.

~~Studies~~ requests Sanction

1) ~~to~~ to allow ~~two months time~~

~~may be allowed for the~~

Submission of N.D.C. Bills

for the I.C. bills drawn every

month, as most of the

~~Instructors of the~~ College

Industries Instructors

are not well acquainted in Accounts;

~~Note the Accounts~~

to entertain the services of four experienced I.R.Acc

~~for the Accountants~~

clerks from the State

~~Dept. for clerical duties in the~~

~~State Accounts~~

Dept. for one year

at a time, with a view

to expedite the closure

of the P.D Accts

after a thorough

audit; a

2) ~~It~~ as the P.D. Accounts

have to be audited thoroughly

from its inception and

accounts reconciled and

adjusted in full

and to allow

3) ~~that~~ one year time

may be allowed for closing

~~the~~ of adjusting and Closing

of P.D. Account.

List of Enclosures

Copied by

Examined by

The Controller of

State Accounts should be

Consulted in the matter

~~in the Directive that the~~

~~has suggested~~

G. R. S. App. F VI—G. 2]

SUBJECT.....

.....

.....

Diary No. of letter replied to .....

Section.

File No.

Serial No.

General and Revenue Secretariat.

( )

the *194*

Proceedings of the Government of His Highness the Maharaja of Mysore.

Date of issue.....194

Signed by .....

May this be—

(i) printed?

(ii) treated as a Standing Order?

(iii) published in the Gazette, English Part?

(iv) translated?

(v) placed at the disposal of the Press?

(vi) published in the Gazette, Kannada Part?

Read— Clerical Staff alone may not be in a position to deal effectively with their work and supervise matters without proper guidance and supervision by a competent Superintendent and Accountant

Order thereon—No. the existing ~~arrangement~~ ~~of~~ of one Superintendent in grade Rs 180-10-300, and two first Division clerks in grades Rs 60-5-90-8-130-10-150/EB-10-180 of State Accounts Dept. for a period of one year

with normal deputation
(duty) allowance of 10%
of Salary.

After considering
all aspects of the question
Sanction is accorded to the entertainment
~~for the appointment of~~ of the Staff
the Staff suggested
by the Controller of the State Accounts
Dept. without deputation
allowance subjected to
the condition that the work
should be completed
before the year is over, the extra cost being
met out of the funds provided under
"43 Industries and Supplies as College industries)
in this behalf
List of Enclosures three forms.

For Deputy Secy.

Dir. R. I.
Dir. of Ind.
A.G. through P.D.
Controller State Accounts.

Copied by

35.
19/5

Examined by

Ind. 194-54-11

PROCEEDINGS OF THE GOVERNMENT OF MYSORE.

Read:-

Government letter No. I. ~~3792~~ 3436 dated ~~15-12-1954~~ 24-11-54 ordering the discontinuance of the P.D. Account.

2. Letter No. AC-6-F.C./51 dated 23rd December 1954 from the Director, Rural Industrialisation, in the matter of operation of the P.D. account of the office of the Director of Industries and Commerce in connection with the Cottage Industries Centres.

3. U.O.No. 839/CSA dated 28/29th March 1955 from the Controller of State Accounts in the matter.

ORDER No. I 267-70/Ind 194-54-11

BANGALORE, DATED 27th MAY 1955.

The Director, Rural Industrialisation requests sanction :-

1) to allow two months time for the submission of N.D.C. Bills for the A.C.bills drawn every month, as most of the Cottage Industries Instructors are not well acquainted in accounts; and

2) to entertain the services of four experienced I Dn. Accounts clerks from the State Accounts Department for a year ~~with a view to expedite the closure of the~~ for the audit and adjustment of the P.D. Accounts ~~after a thorough audit~~ and final closure.

The Controller of State Accounts Department who was consulted in the matter is of opinion that the clerical staff alone may not be in a position to deal effectively with this work of complicated nature without proper guidance and supervision by a competent Superintendent and suggested the entertainment of one Superintendent in grade Rs. 180-10-300, and two First Dn. Clerks in grade Rs. 60-5-90-8-130-10-150/E.B.-10-180 of State Accounts Department for a period of one year, with usual deputation (duty) allowance of 10% of salary to the staff.

p.t.o.

After ~~considering all aspects of the question~~ an examination of the proposal to engage

sanction is accorded to the entertainment of the staff suggested by the Controller of the State Accounts Department, without deputation allowance subject to the condition that the work should be completed before ~~the~~ year, the extra cost in this behalf ~~being~~ will be met out of the grants provided under "43 Industries and Supplies aa Cottage Industries (b) Three Year Plan."

~~Secretary~~ to Government,
Development Department.

The Director, R.I.
The Director I & C.
The A.G. through F.D.
The Controller, State Accounts Deptt.